

AMENDED IN ASSEMBLY JANUARY 22, 2004

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AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

## ASSEMBLY BILL

**No. 868**

**Introduced by Assembly Member Parra**  
*(Coauthor: Assembly Member Salinas)*

February 20, 2003

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An act to amend Sections 50710.1 and 50712.5 of the Health and Safety Code, relating to migrant farm labor centers.

### LEGISLATIVE COUNSEL'S DIGEST

AB 868, as amended, Parra. Migrant farm labor centers.

Existing law authorizes the Department of Housing and Community Development to contract with local public and private nonprofit agencies to provide housing services, including shelter, education, sanitation, and day care services for migratory agricultural workers, through the development, construction, reconstruction, rehabilitation, or operation of a migrant farm labor center.

Existing law also authorizes, after approval by the department, the operation of a migrant farm labor center for an extended period beyond 180 days if specified conditions are met, including a requirement that ~~households representing at least 25% of the units in the center have signed a petition to the local entity to keep the center open at specified rent levels~~ *residents are provided advance notice of the scheduled closing date of the center.*

~~This bill would instead authorize the operation of a migrant farm labor center for an extended period beyond 180 days if the local entity operating the center makes specified determinations and if specified conditions are met require the above-described notice to include the scheduled date of the beginning of the extended occupancy period. It would also deem an entity operating a migrant farm labor center to be eligible for the California Alternative Rates for Energy Program.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. It is the intent of the Legislature to do all of the
- 2 following:
- 3 (a) Provide a method of improving, upgrading, and increasing
- 4 the seasonal utilization of migrant farm labor centers while
- 5 recognizing the variety of different conditions that prevail at the
- 6 centers and the fiscal constraints currently on the state.
- 7 (b) Give greater flexibility to the local entities that operate the
- 8 migrant farm labor centers to increase seasonal utilization as
- 9 appropriate.
- 10 (c) Increase the ability to access funding for improvements.
- 11 (d) Improve the housing conditions for farmworkers in the area
- 12 served by the migrant farm labor centers.
- 13 SEC. 2. Section 50710.1 of the Health and Safety Code is
- 14 amended to read:
- 15 50710.1. (a) If all the development costs of any migrant farm
- 16 labor center assisted pursuant to this chapter are provided by
- 17 federal, state, or local grants, and if inadequate funds are available
- 18 from any federal, state, or local service to write-down operating
- 19 costs, the department may approve rents for that center that are in
- 20 excess of rents charged in other centers assisted by the Office of
- 21 Migrant Services. However, prior to approving these rents, the
- 22 department shall consider the adequacy of evidence presented by
- 23 the entity operating the center that the rents reimburse actual,
- 24 reasonable, and necessary costs of operation. The department may
- 25 not increase any rent charged at a migrant farm labor center during
- 26 the 2003–04 fiscal year.
- 27 (b) At the end of each fiscal year, any entity operating a migrant
- 28 farm labor center pursuant to this chapter may establish a reserve



1 account comprised of the excess funds provided through the  
2 annual operating contract received from the department, if the  
3 department certifies there is no need to address reasonable general  
4 maintenance requirements or repairs, rehabilitation, and  
5 replacement needs of the requesting migrant farm labor center  
6 which affect the immediate health and safety of residents. The  
7 cumulative balance of the reserve account shall not exceed 10  
8 percent of the annual operating funds annually committed to the  
9 entity by the department. Funds in the reserve account shall be  
10 used only for capital improvements such as replacing or repairing  
11 structural elements, furniture, fixtures, or equipment of the  
12 migrant farm labor center, the replacement or repair of which are  
13 reasonably required to preserve the migrant farm labor center.  
14 Withdrawals from the reserve account shall be made only upon the  
15 written approval of the department of the amount and nature of  
16 expenditures.

17 (c) A migrant farm labor center governed by this chapter may  
18 be operated for an extended period beyond 180 days after approval  
19 by the department, provided that all of the following conditions are  
20 satisfied:

21 (1) No additional subsidies provided by the department are  
22 used for the operation or administration of the migrant farm center  
23 during the extended occupancy period except to the extent that  
24 state funds are appropriated or authorized for the purpose of  
25 funding all or part of the cost of subsidizing extended occupancy  
26 periods during the first 14 days only.

27 (2) Rents are not to be increased above the rents charged during  
28 the period immediately prior to the extended occupancy period  
29 unless the department finds that an increase is necessary to cover  
30 the difference between reasonable operating costs necessary to  
31 keep the center open during the extended occupancy period and the  
32 amount of state funds available pursuant to paragraph (1) and any  
33 contributions from agricultural employers or other federal, local,  
34 or private sources. These contributions shall not be used to reduce  
35 the amount of state funds that otherwise would be made available  
36 to the center to subsidize rents during an extended occupancy  
37 period.

38 (3) In no event shall the rent during the extended occupancy  
39 period exceed the average daily operating cost of the center, less  
40 any subsidy funds available pursuant to paragraph (1) or (2).

Households representing at least 25 percent of the units in the center shall have indicated their desire and intention to remain in residency during an extended occupancy period by signing a petition to the local entity to keep the center open for an extended period at rents that are the same or higher than rents during the regular period of occupancy. Each household shall receive a clear bilingual notice describing the extended occupancy options attached to the lease.

The Legislature finds and declares that because the number of residents may be substantially reduced during the extended occupancy period, a rent increase may be necessary to cover operating costs. It is the intent of the Legislature that the public sector, private sector, and farmworkers should each play an important role in ensuring the financial viability of this important source of needed housing.

(4) An extended occupancy period is requested by an entity operating the migrant farm labor center and received by the department no earlier than 30 days and no later than 15 days prior to the center's scheduled closing date. The department shall notify the entity and petitioning residents of the final decision no later than seven days prior to the center's scheduled closing date. During the extended occupancy period, occupancy shall be limited to migrant farmworkers and their families who resided at a migrant center during the regular period of occupancy.

(5) Before approving or denying an extension and establishing the rents for the extended occupancy period, both of which shall be within the sole discretion of the department, the department shall take into consideration all of the following factors:

(A) The structural and physical condition of the center, including water and sewer pond capacity and the capacity and willingness of the local entity to operate the center during the extended occupancy period.

(B) Whether local approvals are required, and whether there are competing demands for the use of the center's facilities.

(C) Whether there is adequate documentation that there is a need for residents of the migrant center to continue work in the area, as confirmed by the local entity.

(D) The climate during the extended occupancy period.

(E) The amount of subsidy funds available that can be allocated to each center to subsidize rents below the operating costs and the

1 cost of operating each center during the extended occupancy  
2 period.

3 (F) The extended occupancy period is deemed necessary for  
4 the health and safety of the migrant farmworkers and their  
5 families.

6 (G) Other relevant factors affecting the migrant farmworkers  
7 and their families and the operation of the centers.

8 (6) The rents collected during the extended occupancy period  
9 shall be remitted to the department. However, based on financial  
10 records to the satisfaction of the department, the department may  
11 reduce the amount to be remitted by an amount it determines the  
12 local entity has expended during the extended occupancy period  
13 that is not being reimbursed by department funds.

14 (7) The occupancy during the extended occupancy period  
15 represents a new tenancy and is not subject to existing and  
16 statutory and regulatory limitations governing rents. Prior to the  
17 beginning of the extended occupancy period, residents shall be  
18 provided at least two days' advance written notice of any rent  
19 increase and of the expected length of the extended occupancy  
20 period, including the scheduled date of the beginning of the  
21 extended occupancy period and closure of the center. Prior to  
22 being eligible for residency during the extended occupancy  
23 period, residents shall sign rental documents deemed necessary by  
24 the department.

25 (d) The Legislature finds and declares that variable annual  
26 climates and changing agricultural techniques create an inability  
27 to accurately predict the end of a harvest season for the purposes  
28 of housing migrant farmworkers and their families. Because of  
29 these factors, in any part of this state, and in any specific year, one  
30 or more migrant farmworker housing centers governed by this  
31 chapter need to open early or remain open for up to two additional  
32 weeks to allow the residents to provide critical assistance to  
33 growers in harvesting crops while also fulfilling work  
34 expectations that encouraged them to migrate to the areas of the  
35 centers. In addition, if the centers close prematurely or open late,  
36 the migrant farmworkers often must remain or reside in the areas  
37 to work for up to two weeks. During this time they will not be able  
38 to obtain decent, safe, and affordable housing and the health and  
39 safety of their families and the surrounding community will be  
40 threatened.

1 The Legislature therefore finds and declares that, for the  
2 purposes of any public or private right, obligation, or authorization  
3 related to the use of property and improvements thereon as a  
4 180-day migrant center, an extended use of any housing center  
5 governed by this chapter pursuant to this section is deemed to be  
6 the same as the 180-day use generally authorized by this chapter.

7 (e) Because of the presumed income levels of the occupants of  
8 migrant farm labor centers, an entity operating a migrant farm  
9 labor center shall be deemed eligible for the California Alternative  
10 Rates for Energy program established pursuant to Sections 382  
11 and 739.1 of the Public Utilities Code. Any savings from a  
12 reduction in energy rates shall be passed on to the occupants of the  
13 migrant farm labor center.

14 SEC. 3. Section 50712.5 of the Health and Safety Code is  
15 amended to read:

16 50712.5. (a) The Department of Housing and Community  
17 Development, through its Office of Migrant Services, pursuant to  
18 the authority granted in subdivision (n) of Section 50406 and this  
19 chapter shall assist in the development, construction,  
20 reconstruction, rehabilitation, or operation of migrant farm labor  
21 centers. The department shall encourage and assist in the  
22 development of family units, or dormitory-style units, as may be  
23 appropriate, in migrant farm labor centers in any county or  
24 counties where there is a substantial unmet need for migrant  
25 farmworker housing. It is the intent of the Legislature in  
26 permitting the development of dormitory-style housing that  
27 family households not be mixed with single person households  
28 unless the contractor or sponsor can make reasonable  
29 accommodations to provide separate living and sleeping areas in  
30 the dormitory to those family households.

31 (b) The department may use funds appropriated for the  
32 purposes of the Office of Migrant Services to maximize the utility  
33 of any other local, federal, state, or private funds or other  
34 assistance made available for the purposes of this section. These  
35 appropriated funds may be used for costs including, but not limited  
36 to, the following items:

37 (1) Predevelopment costs incurred in the process of securing  
38 construction or long-term financing site acquisition development,  
39 architectural, engineering, or legal expenses, or construction  
40 costs, including construction interest, or both. These costs shall not

1 be subject to reimbursement from construction or permanent  
2 financing, as the case may be, if the reimbursement would  
3 contribute to, or result in, rents substantially in excess of those in  
4 other migrant farm labor centers assisted by the Office of Migrant  
5 Services, as determined by the department.

6 (2) A grant or deferred payment loan for acquisition,  
7 development, and related infrastructure costs, including  
8 construction, reconstruction, rehabilitation, or operation, which  
9 may be forgiven, matching or supplementing the permanent  
10 financing or grant made available by a federal, state, or local  
11 housing assistance program.

12 (3) Operating cost reductions to the extent necessary to ensure  
13 that the rents in the migrant farm center are not substantially in  
14 excess of those in other migrant farm labor centers operated by the  
15 Office of Migrant Services.

16 (c) The department shall seek the maximum possible  
17 contribution of funds, land, and other incentives from local,  
18 federal, state, and private sources for all the purposes described in  
19 subdivision (b). Funds transferred pursuant to Part 8 (commencing  
20 with Section 53130) shall not be used in a manner inconsistent  
21 with this part. Migrant farm labor centers shall be eligible for  
22 energy conservation assistance, including those provided in  
23 programs established pursuant to Section 381 of the Public  
24 Utilities Code and administered either by a utility or a local or  
25 other agency. ~~Savings accrued as a result of these investments shall~~  
26 ~~be passed on to tenants in the form of reduced rents.~~ *other agency.*

27 (d) To the extent that any migrant farm labor center assisted  
28 pursuant to this section is financed or otherwise assisted by the  
29 United States Farmers Home Administration, and to the extent the  
30 Farmers Home Administration requires compliance with  
31 construction, operating, term of use, or residency standards which  
32 differ from those required by the department pursuant to  
33 regulations adopted to implement and interpret this chapter, those  
34 Farmers Home Administration standards shall supersede the  
35 department's regulations.

36 (e) The Office of Migrant Services may authorize the use of  
37 dormitory-style housing in a migrant farm labor center.